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ABSTRACT

Students today face a wide range of economic decisions. To be wise consumers, prudent savers, and knowledgeable investors, they need basic economic concepts and decision-making skills. To this end the National Council on Economic Education (NCEE) developed the Voluntary National Content Standards in Economics (1997) for students in kindergarten through twelfth grade. Economics has tended to be neglected by social studies educators despite its importance in education for democratic citizenship. With the inclusion of economics as a core subject in the Goals 2000: Educate America Act (1994), it became necessary to develop a set of content standards. The Standards for economics were developed to guide school districts, curriculum developers, and classroom teachers. The Standards contain 20 content standards that constitute the most important and enduring knowledge of economics. Each content standard includes a lucid rationale for its inclusion and a set of benchmarks for the 4th, 8th, and 12th grade. The Standards also are cross-referenced with associated benchmarks in the existing NCEE curriculum materials and teaching guides. Content Standard 8 is used to illustrate the features of the Standards. The release of the Voluntary National Content Standards in Economics represents an integral and important step in the development of economic literacy in the United States and meets the call for standards-based educational reform first sounded with the publication of A Nation at Risk. (JH)

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The National Voluntary Content Standards in Economics

By Phillip J. VanFossen

Students in today's classrooms face a wide range of economic decisions. If they would be wise consumers, prudent savers, and knowledgeable investors, they need pertinent knowledge and skills. So the school curriculum should help facilitate the acquisition of basic economic concepts and decision-making skills. Given this rationale, the National Council on Economic Education (NCEE) developed the *Voluntary National Content Standards in Economics* (NCEE 1997) for American students in kindergarten through twelfth grade.

Impetus for the *National Voluntary Content Standards in Economics*. Economics has been a late entry into the national content standards field. The late appearance of economics in the national standards field is due, in part, to the existence of an implicit set of content standards found in the various iterations of the National Council on Economic Education's *Framework for Teaching the Basic Concepts* (Saunders and Gilliard 1995). The *Framework* document—in publication in various forms for nearly twenty years—outlined a concept-based approach to economic literacy and focused on development of twenty-one basic economic concepts from scarcity and markets to international trade and economic stability. Because the *Framework* document was a collection of implicit concept understandings, however, many economic educators believed a set of standards based on principles of economics was unnecessary.

Furthermore, economics has tended to be neglected by social studies educators. Despite its importance in education for democratic citizenship (Miller 1988, 4) and evidence that students who have had a discrete, single semester high school course in economics demonstrate significantly greater economic knowledge than students without such a course (Walstad and Soper 1991), many schools have omitted economics from the curriculum. The schools that have chosen to teach economics often use an infusion approach, which includes cursory treatment of economics concepts within other social studies courses, such as U.S. history (Meszaros 1997).

With the inclusion of economics as a core subject in the *Goals 2000: Educate America Act* in 1994, however, it became increasingly clear to the National Council on Economic Education (NCEE) that a set of explicit content standards needed to be developed. It was in response to these issues, and concerns about the *Framework* document, that led the NCEE to convene a coalition of groups interested in developing standards in economics.

Overview of the *Voluntary National Content Standards in Economics*. The NCEE's *Voluntary National Content Standards in Economics* (hereafter, *Standards*) were developed to guide school districts, curriculum developers, and ultimately teachers in determining what content in economics should be taught as well as when it should be taught (Meszaros 1997, 324). The standards document outlined twenty content standards drawn from widely agreed upon principles of economics that constituted the most important and enduring knowledge in the discipline. Each standard included a statement of an "essential principle of economics that an economically literate student should know" and a statement "of what the student should be able to do with the knowledge upon graduating from high school" (Meszaros and Siegfried 1997, vii).

Each of the twenty standards included a lucid rationale for that standard's inclusion written in language that was relatively jargon-free. The *Standards* also included a set of "benchmarks"—at the fourth, eighth, and twelfth grade level—for each of the twenty standards that focused on the application of economic knowledge and the development of economic skills. It was the inclusion of these outcome-based benchmarks that differentiated these *Standards* from others in the social studies field.

The *Standards* document cross-referenced each of the twenty standards and their associated benchmarks with existing NCEE curriculum materials and teaching guides. Thus, a teacher could use the *Standards* document to identify and access teaching materials designed specifically for developing the economic knowledge associated with a particular standard.

Content Standard 8. To illustrate the features of the *Standards* described above, let us examine *Content Standard 8* (NCEE 1997, 15). The standard states: "*Students will understand that:* Prices send signals and provide incentives to buyers and sellers. When supply or demand changes, market prices adjust, affecting incentives. *Students will be able to use this knowledge to:* Predict how prices change when the number of buyers or sellers in a market changes and explain how the incentives facing individual buyers and sellers are affected."

The *Standards* document provides benchmark statements for each of grades four, eight, and twelve; due to space limitations, only a sample of the grade eight benchmarks are provided here. "*At the completion of* ***Grade 8****, students will know the Grade 4 benchmarks for this standard and also that:*
1. An increase in the price of a good or service encourages people to look for substitutes, causing the quantity demanded to decrease, and vice versa. This relationship between price and quantity demanded, known as the law of demand, exists as long as other factors influencing demand do not change." (Three other Grade 8 benchmark statements follow.)

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"*At the completion of* ***Grade 8****, students will use this knowledge to:* 1. Survey students in other classes at school regarding how many glasses of orange juice students would be willing and able to buy at various prices. Analyze the data to show the relationship between price and quantity demanded. Identify substitutes students use when the price is higher." (Three other Grade 8 benchmark statements follow.)

The *Standards* document also identifies five lesson plans from three different NCEE publications which might be used to teach for the *Content Standard Eight* benchmarks described above. Readers who would like more information about the twenty content standards and their associated benchmarks can log on to the NCEE website <http://www.economicsamerica.org/nctext.html>

Lack of Economics in Other Social Studies Standards. Two of the authors of the *Standards* document argued that one of the most important and practical reasons for developing the *Standards* lay in the poor treatment of economic concepts found in standards for other social studies disciplines: "[V]oluntary national standards increase the probability that economics is included in the school curricula" (Siegfried and Meszaros 1997, 140). Indeed, Buckles and Watts (1998) conducted a content analysis of the national standards documents in history, geography, civics and government, and social studies and found serious gaps in the economic content coverage of each. Buckles and Watts (1998, 165) found "few errors of commission but many major omissions, which demonstrate the need for a separate economics course." Buckles and Watts also pointed to an almost overt bias in these standards documents toward "wide-ranging government intervention and planning" and "a general failure to recognize the range and efficiency of market functions." Buckles and Watts (1998, 166) concluded that the development of the *Voluntary National Content Standards in Economics* represented a unique opportunity to go beyond the treatment of important economic concepts in "broad, sweeping brush strokes" and "to reduce competition for classroom time" by concentrating economics coverage in a discrete economics course.

Conclusion. The release of the *Voluntary National Content Standards in Economics* represented an integral and important step in the development of economic literacy in the United States. With publication of the *Standards* document, the National Council on Economic Education has responded to the call for standards-based reform first sounded with *A Nation at Risk* (National Commission on Excellence in Education, 1983). In fact, *A Nation at Risk* pointed specifically to the need to prepare students to compete in the global economy of the twenty-first century. To achieve this goal, the United States needed to establish world class standards in many disciplines, including economics. As Meszaros and Engstrom (1998, 12) noted, recent "emphasis on standards-based instruction in core disciplines means, for many, the introduction of new content" in economics, and the *Voluntary National Content Standards in Economics* will "provide the guidance teachers need" to develop and carry out successful instruction in economics.

References and ERIC Resources. The following list of resources includes references used to prepare this Digest. The items followed by an ED number are available in microfiche and/or paper copies from the ERIC Document Reproduction Service (EDRS). For information about prices, contact EDRS, 7420 Fullerton Road, Suite 110, Springfield, Virginia 22153-2852; telephone numbers are (703) 440-1400 and (800) 443-3742. Entries followed by an EJ number, annotated monthly in CURRENT INDEX TO JOURNALS IN EDUCATION (CIJE), are not available through EDRS. However, they can be located in the journal section of most larger libraries by using the bibliographic information provided, requested through Interlibrary Loan, or ordered from commercial reprint services.

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